

Message Text

LIMITED OFFICIAL USE

PAGE 01 PEKING 00512 270208Z
ACTION EA-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03
INR-10 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03
SP-02 LAB-04 SIL-01 OMB-01 DODE-00 PA-01 /059 W
-----047818 270212Z /61
R 250410Z FEB 78
FM USLO PEKING
TO SECSTATE WASHDC 9975
INFO AMCONSUL HONG KONG

LIMITED OFFICIAL USE PEKING 0512

E.O. 11652: NA
TAGS: ELAB ECON CH

SUBJ: BONUS SYSTEM REINSTITUTED IN CHENGCHOW FACTORY

1. USLO OFFICER WAS INFORMED BY OFFICIALS AT THE CHENCHOW ARTS FACTORY ON FEBRUARY 16 THAT PRODUCTION BONUSES OF FIVE YUAN A MONTH ARE OFFERED TO WORKERS WHO OVERFULFILL MONTHLY PRODUCTION NORMS. OFFICIALS STATED TAT THIS BONUS SYSTEM HAS BEEN IN EFFECT CONTINUOUSLY BEFORE THE "CRITICIZE LIN-CRITICIZE CONFUCIUS" CAMPAIGN IN 1974, WHEN IT WAS STOPPED, AND HAD BEEN REINSTITUTED IN 1977.

2. WE HAVE HEARD THAT BONUSES HAVE BEEN OFFERED IN THE SOUTH IN SOME FACTORIES, BUT THIS IS THE FIRST FACTORY WE HAVE VISITED THAT HAS ADMITTED TO HAVING A BONUS SYSTEM. IT MAY BE NOTED THAT MONTHLY WAGES IN THIS FACTORY EMPLOYING 260 WORKERS/STAFF ARE RATHER LOW, RANGING FROM 82 YUAN FOR THE HIGHEST GRADE (GRADE SEVEN) WORKER TO 30 YUAN FOR A GRADE ONE WORKER, THE AVERAGE BEING 43 YUAN. WHEN VISITED, THE FACTORY HAD NOT YET IMPLEMENTED THE WAGE INCREASE (GOING TO 60 PERCENT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 PEKING 00512 270208Z

OF THE WORKERS), BUT IT WAS STATED THAT BONUS SYSTEM WOULD REMAIN IN EFFECT AFTER THE INCREASE.

3. THIS FACTORY PRODUCES HIGH QUALITY JADE AND OTHER STONE CARVINGS (AVERAGE EX-FACTORY PRICE ABOUT 750 YUAN), ABOUT 75 PERCENT OF WHICH ARE EXPORTED.

4. COMMENT: ENTERPRISES OF THIS TYPE, WHERE
CRAFTSMEN WORK ON A PRODUCT FROM START TO
FINISH, MAY ACHIEVE PARTICULARLY GOOD RESULTS FROM A
BONUS SYSTEM. IT MAY BE THAT LIGHT INDUSTRIES OF THIS
TYPE, PRODUCING FOR HIGH PRIORITIES AREAS
LIKE EXPORTS, ARE GETTING SPECIAL DISPENSATION
FROM HIGHER AUTHORITIES TO USE THIS TYPE OF
INCENTIVE.
WOODCOCK

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WAGES, FRINGE BENEFITS
Control Number: n/a
Copy: SINGLE
Draft Date: 25 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978PEKING00512
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780089-0169
Format: TEL
From: PEKING
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780212/aaaaakdv.tel
Line Count: 71
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: fc97b5cf-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3474141
Secure: OPEN
Status: NATIVE
Subject: BONUS SYSTEM REINSTITUTED IN CHENGCHOW FACTORY
TAGS: ELAB, ECON, CH
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/fc97b5cf-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014